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BEYER WEAVER & THOMAS LLP P.O. BOX 70250 OAKLAND, CA 94612-0250			NGUYEN, CUONG H	
			ART UNIT	PAPER NUMBER
			3661	

DATE MAILED: 01/13/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/493,750

Applicant(s)

OJHA ET AL

Examiner

CUONG H. NGUYEN

Art Unit

3661

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 17 September 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,4 and 6-26 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,4 and 6-26 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 28 January 2000 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

1. This Office Action is the response to the communication received on 9/17/2004 (the Appeal Brief).

2. Claims 1, 4, and 6-26 are pending in this application.

Response to Argument:

3. An Appeal Conference was held on 1/04/2005 where SPE and a business method specialist advise different art for stronger for rejections, and an Appeal Court case teaches about mandatory 35 USC 101 rejection based on lacking of technological art. The examiner respectfully presents new grounds of rejections. The submitted arguments are moot; and the previous Final Rejection is withdrawn for this re-open prosecution.

4. The examiner submits that Walker et al. teach about online transactions, this may include about stock transactions; Jeffrey Krauss's article teaches an idea of a third party covers a price difference between a buyer and a seller.

Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office Action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

5. Claims 1, 6, and 21-22, 25-26 are rejected under 35 U.S.C. § 103(a) as obvious over Walker et al. (US Pat. 6,249,772), in view of Jeffrey Krauss (CED's "Subsidized TV sets?").

A. Re. claim 1 (represented for group I): Claim 1 is directed to a method for facilitating transactions on a network; Walker et al. obviously teach that claimed idea (see Fig.1, Fig.2, 1:10-15 and 4:31 to 5:33). It is obvious that Walker's central controller 110 performing a claimed function of "enabling/transmitting an acceptance" via Internet's communication.

Walker et al. teach a method for facilitating transactions in a WAN, comprising:

- providing information relating to a transaction between a 1st party (a user 102) and a 2nd party (a seller: a retail store - fig.8A ref. S8-11) to a 3rd party (a controller) via the WAN/Internet (see Walker et al., Fig.1, ref. 100 - the connected blocks indicate above claimed structural relationships for communications/actions); and
- Walker et al. teach that info. is a bid price (for 1st party:buyer), and an ask price (for 2nd party:seller)(see Walker et al., Figs. 8A-8B, ref. S8-18).
- Walker et al. do not expressly disclose about enabling the 3rd party (a broker) to facilitate consummation of

the transaction between the 1st party (said buyer), and 2nd party (a seller).

However, Krauss teaches that idea in an application of subsidizing from a cell-phone company to a buyer/buying transaction; in other words, it is analogous to paying a market price difference (see Krauss, page 1 of 3, paragraphs 3-4; "when you sign up for a year's worth of service, the cellular phone company sends a check for \$200 to Circuit City")

It would have been obvious to one with ordinary skill in the art to make implementations of Walker et al.'s teachings with Krauss's idea because this kind of subsidy a transaction is similarly applicable to this pending invention (i.e., paying an amount of money to cover a difference from a third party). The service of buying/selling stocks online has also been recognized by skilled artisan as an easy and quick source for facilitating matters of financial transaction. Walker et al.'s teachings would provide a common ground for transactions with a price difference would be covered amongst involved parties as shown in Krauss's application.

B. Re. claim 25: It is directed to a computer product for facilitating transactions in a WAN/Internet, comprising computer instructions perform steps describing in claim 1 (see Walker et al., Fig.1, ref. 100; wherein a computer product would be needed to facilitating transactions in a WAN environment; therefore, it would be obvious to one of

ordinary skill in the art to combine Walker Jr. et al. and Krauss's teachings in an Internet environment to facilitating above transactions; rationales and references applied for a 35 USC 103(a) rejection would be similar for both claims 1 and 25.

C. Re. claim 26: The rationales and references for rejection of claim 1 are incorporated.

Walker Jr. et al. teach communication amongst involved parties: 1st party: a buyer/bidder, (see Walker Jr. et al., Fig.1, ref. 102), 2nd party: a selected store (see Walker Jr. et al., Fig.8B, ref. S8-16), and 3rd party: a central controller (see Walker Jr. et al., Fig.1, ref. 110); their Internet communications would cover transmitting, receiving, and specifically sending a response covering a difference between the bid and the ask prices for a service/product in a WAN/Internet environment.

Walker Jr. et al. teach a step of "transmitting data/acceptance response" by Internet; wherein the content of said data may including notifying to related parties (e.g., a response); in this case, that is a notification to a seller (see Walker Jr. et al., Fig. 1 about 2-way communications among involved parties in a specific transaction).

Walker, Jr. et al. do not expressly disclose about enabling the 3rd party to cover an amount different between buy/bid and sell/ask prices.

However, Krauss teaches that idea (see Krauss, page 1 of 3, paragraphs 3-4; "when you sign up for a year's worth of service, the cellular phone company sends a check for \$200 to Circuit City").

It would have been obvious to one with ordinary skill in the art to make implementations of Walker et al.'s teachings with Krauss's idea because this kind of subsidy a transaction is similarly applicable to this pending invention (i.e., paying an amount of money to cover a difference from a third party). The service of buying/selling stocks online has also been recognized by skilled artisan as an easy and quick source for facilitating matters of financial transaction. Walker et al.'s teachings would provide a common ground for transactions with a price difference would be covered amongst involved parties as shown in Krauss's application.

D. Re. claim 6: The rationales and references for rejection of claim 1 are incorporated.

Walker Jr. et al. teach about a third party is involved in a transaction (e.g., a controller/a middle-man, see Walker Jr., Fig.1, ref. 110), and transmitting an acceptance/response (or notification) to the 1st party (see Walker Jr., Fig.1, ref. 102): this figure shows a communication about a financial transaction between 1st and

2nd parties). Please note that it would be obvious for one of ordinary skill in the art at the time of the invention to notify/communicate many different things (these "different things" are non-functional descriptive materials - they do not contribute a distinguish function to said claimed method to prior art).

It would be obvious to one with ordinary skill in the art to combine Walker et al. and Krauss's teachings to notify a party about an acceptance via Internet/WAN because using of Internet for financial transaction (e.g., to buy/sell stocks) has been recognized by skilled artisan as an easy and quick source for facilitating matters of financial transaction including a message of acceptance.

E. Re. claim 21: The examiner submits that above rationale for rejections of claim 1 are applied herein since claimed limitation is a repetition of claim 1.

The examiner submits that it is obvious to make a repetition structure (from Walker, Jr. et al. Fig.1), and Krauss to cover a different between buy/bid and sell/ask prices: having a 3rd party, and a 4th party wherein said 4th party would perform the same function as said 3rd party "A BROKER" (i.e., enabling a 4th party: to facilitate consummation of a transaction between a 1st party (a buyer), and a 2nd party/a seller in conjunction with a 3rd party (another middle-man)).

One with ordinary skill in the art would appreciate the combinations of Walker Jr. et al., and Krauss that teach a transaction process fast, efficient, and economic solutions involving the use of a 3rd party, and/or a 4th party performing similar functions in a transaction process. It would be obvious that a 3rd party, and a 4th party are implemented each other in doing similar tasks (e.g., a patent examiner A, and a patent examiner B; they work in next-door offices that helping each other for patent prosecutions using US Patent Laws, and their examining experiences).

F. Re. claim 22: The rationales and references for rejection of claim 21 are incorporated.

Walker Jr. et al., and Krauss do not expressly disclose about enabling a 4th party to facilitate consummation of the transaction comprises enabling the 4th party to cover a remainder portion of the 1st difference.

However, it would be obvious that a multiple parties would handle similar subsidizing transaction as Krauss's suggested (e.g., a cell-phone buyer, a Circuit City store, an Sprint telecommunication company, and Nokia company who makes that cell-phone).

It would be obvious for one with ordinary skill in the art to combine Walker Jr. et al. with Krauss that teach a transaction process with fast, efficient, and economic

solutions involving the use of a 3rd party, and/or a 4th party performing similar functions for subsidizing in a transaction process. It would be obvious that a 3rd party, and a 4th party are implemented each other since they performs similar functions such as different securities and may cover a price difference according to their specific strategies in trading since Walker Jr. et al., and Krauss 's structure able to perform that ability (e.g., it is analogous with a situation that a patent examiner A, and a patent examiner B work in next-door offices that helping each other for patent prosecutions).

6. Claim 23 is rejected under 35 U.S.C. § 103(a) as obvious over Walker et al. (US Pat. 6,249,772), in view of Jeffrey Krauss (CED's "Subsidized TV sets?"), and further in view of Tull et al. (US Pat. 5,946,667).

The rationales and references for rejection of claim 1 are incorporated.

Tull et al. teach about distinct bids, see Tull Jr. et al. Fig.7 and 9:41-50 "...each stock of each OPALS being administered by the data processing system must be uniquely identified to enable such interaction..." (e.g. please note that "as relating to a product which is part of a mutually exclusive bid group defined by one of the first and second parties" is merely explanation for "identifying

transactions"; therefore, this claimed phrase is obvious to artisans).

7. Claim 24 is rejected under 35 U.S.C. § 103(a) as obvious over Walker, Jr. et al. (US Pat. 5,946,667), in view of Krauss (Dialog file 148 - 10173675), Tull et al. (US Pat. 5,946,667), and further in view of Wilton et al., (US Pat. 6,519,574).

The rationales and references for rejection of claim 23 are incorporated.

Walker Jr., Tull et al., and Krauss do not expressly disclose about "enabling the 3rd party to specify a business rule for automatically responding to system bids via the WAN, said business rule relating to the identifier"

However, Wilton et al. teach about that claimed limitation (see Wilton et al., 7:55-65, for a business rule of "automatically responding to bids via Internet" - note that according to Walker Jr, et al. 9:59-63 - a rule/code is dependent on an identifier, i.e., in a table for AN INPUT INDICES "E. The exchange code identifier").

It would be obvious to one with ordinary skill in the art to combine Walker et al., Krauss, Tull et al., and Wilton et al because this is analogous to using of Internet to "enabling another party to specify a business rule for automatically responding to system bids, said business rule relating to the identifier" which has been recognized by

skilled artisans as a convenient source for facilitating matters of financial transaction.

8. Re. claims 13-15, 18-20: They are rejected under 35 U.S.C. § 103 as being unpatentable over Walker et al. (US Pat. 6,249,772), in view of Jeffrey Krauss (CED's "Subsidized TV sets?"), and further in view of the Official Notice.

The rationales and references for rejection of claim 1 are incorporated.

A. Re. to claim 13: Walker Jr. and Krauss do not expressly disclose of enabling the 3rd party to specify a business rule for automatically responding to system bids.

However, the Official Notice is taken here that a step of automatically response for an inquiry is old & well-known for a web site coupled to other sites on the Internet (e.g., a telephone's automatic notification feature) - that has been a business rule for good customer services. This function of "specify a business rule for automatically responding to purchases/bids" would be used by a broker utilizing Internet. Please note that "a business rule" as broadly claimed here do not specifically define further about a "particular" rule. Therefore, a general rule in a transaction is sufficient (e.g., must pay for purchase with a MasterCard).

It would have been obvious for one with ordinary skill in the art at the time of invention to appreciate the combination of Walker Jr., Krauss and the Official Notice taken above that teach an automatically response for any inquiry because those are good customer services with timely responses.

B. Re. To claim 14: The examiner submits that this claimed limitation is an analogous action of claim 13 (for a broad and reasonable interpretation, please note that claimed limitation would be equivalent to "providing/specifying a rule" and that "providing/specifying" function (about rules) is old and well-known with Internet applications); Walker, Jr. also teach that function (see Walker Jr., that rule is about a buyer's qualification).

C. Re. claim 15: The rationales and references for rejection of claim 14 are incorporated.

Walker Jr. et al. further teach a product identifier and whether that is available (an item number - see Walker Jr. et al. Fig.7 ref. 406). It meets a limitation of "a criterion includes a product identifier".

D. Re. To Claim 18: The rationales and references for rejection of claim 13 are incorporated.

Walker Jr. et al. and Krauss do not expressly disclose that their system comprise a business rule with reference to a business rule of 2nd party.

However, the Official Notice is taken here that this claimed limitation is old and well-known; an example for a business rule of a Website is first-come first-serve, and that is also a business rule of an airline when buying an available seat on flight. This broad limitation has been used in many Internet businesses (please note that Walker Jr. et al. teach a right format for CREDIT CARD NUMBER (see Walker Jr. et al., Fig. 7, ref. R1 R2 R3)).

It would be obvious for one with ordinary skill in the art to combine Walker Jr. et al., Krauss, and the above Official Notice, because it provides an index for retrieving related data using related business rules that effecting both buyers and providers on the Internet.

E. Re. claims 19-20: Walker Jr. et al. obviously teach about waiting a period before making a decision.

The Official Notice is taken here that Tull et al. divesting stocks: "market timing" (i.e., waiting a period before implementing a business rule) (see Tull Jr. et al., 1:35-39).

It would be obvious for one with ordinary skill in the art at the time of invention to combine Walker Jr. et al., Krauss, and the Official Notice, because it provides a standardized business rule to follow (i.e., waiting a time period before execution anything) in trading on the Internet; furthermore this implementation of "waiting a

period" is recognized with artisans as fundamental in trading on the Internet.

9. Claims 16-17 are rejected under 35 U.S.C. § 103 as being unpatentable over Walker et al. (US Pat. 6,249,772), in view of Jeffrey Krauss (CED's "Subsidized TV sets?"), in view of Walker et al. (US Pat. 5,797,127), and further in view of the Official Notice.

A. Re to claim 16: The rationales and references for rejection of claim 13 are incorporated.

Walker Jr., and Krauss do not expressly disclose a claimed limitation of: providing a response option via Internet (note that "the at least one business rule corresponding to a subset of the response options specified by the third party" this phrase is a non-functional descriptive material, it does not contribute to a real function that effect steps of above claimed method).

However, Walker et al. teach about providing a response option via Internet - (please note that providing a response or not is itself a business rule option).

It would be obvious to one with ordinary skill in the art at the time of invention to combine Walker Jr. et al., Krauss, the above Official Notice, and Walker et al. to optionally distribute/receive info. among involved parties within an Internet environment because providing/selecting

"option" on a Web page was used by Walker et al. for customer's selection.

B. Re. claim 17: The rationales and references for rejection of claim 16 are incorporated.

Walker et al. obviously teach that response options includes communicate an acceptance and a counter-offer.

Walker et al. teach of including computer radio "buttons", for "activation" or "counter-offer" or "response" can be seen in a website implemented by US Pat. 5,797,127, <http://www.priceline.com> (please note that in computer GUI, using buttons on screen is well-known for a user-friendly purpose, and have been applying in many Internet websites).

One with ordinary skill in the art would combine Walker Jr. et al., Krauss, the Official Notice, and Walker et al. to distribute info. (including a counter-offer amount) between involved parties within an Internet environment with user-friendly buttons, because the use of Internet has been recognized by skilled artisan as an easy and quick source for solving matters of financial transaction. It would give transaction process fast, efficient, and economic solutions.

10. Claims 7-10 are rejected under 35 U.S.C. § 103 as being unpatentable over Walker et al. (US Pat. 6,249,772), in view of Jeffrey Krauss (CED's "Subsidized TV sets?"), and further in view of Walker et al. (US Pat. 5,797,127).

A. Re. To claim 7:

The rationales and references for rejection of claim 1 are incorporated.

Walker Jr. et al., and Krauss do not expressly disclose about transmitting a web page to the 3rd party, an entry in the web page corresponding to the transaction between the 1st (said buyer), and 2nd parties (said airline).

However, Walker et al. teach a step of "transmitting data" by Internet; wherein the content of said data may including entries in a web page (this is an old and well-known form of interactive interfacing e.g., Walker et al. implement their website from US Pat. 5,797,127 to practice by specifying <http://www.priceline.com/> as a website to surf; and there are many entries on that web page that must be filled in - please note that transmitting action is a function in the claimed method, it would be obvious to one with ordinary skill in the art to know that function would be for transmitting data of a web page to different places.

B. Re. claim 8: The rationales and references for rejection of claim 7 are incorporated.

Walker Jr. et al., and Krauss do not disclose about providing an active object in the web page associated with an entry.

However, Walker et al., teach about enabling a 3rd party to facilitate consummation of a transaction that

Walker et al. teach about providing an active object in the web page associated with the entry (e.g., from <http://www.priceline.com/>, information to buy a flight ticket is filled-in; a ticket is a variable object to "interactive" search in a web page).

It would be obvious to one with ordinary skill in the art to combine Walker Jr. et al., Krauss, and Walker et al. to providing an active object in the web page associated with the entry because artisan would recognize that this is a visible way of presentation for retrieving data via "active" objects - please remember that an object here can be a text/data or an icon/image.

C. Re. claim 9: The rationales and references for rejection of claim 8 are incorporated.

Walker Jr. et al., and Krauss do not disclose about an acceptance button in a website for use.

However, the examiner submits that a limitation about an acceptance button in a website for use is a non-functional descriptive material; that limitation further contains an intend of use "in a website" of an activation button (e.g., Walker et al. implement ideas in US Pat: 5,797,127) in their website <http://www.priceline.com/> have user-friendly "buttons" on that website to activate what entered).

D. Re. claim 10: It is rejected under 35 U.S.C. § 103 as being unpatentable over Walker et al. (US Pat. 6,249,772), in view of Jeffrey Krauss (CED's "Subsidized TV sets?"), and further in view of Walker et al. (US Pat. 5,797,127).

The rationales and references for rejection of claim 8 are incorporated.

The examiner submits that Walker et al. obviously perform these following actions: activating of the counter-offer button resulting in transmission of a counter-offer (please note that in computer GUI, using buttons on a monitor screen has been known as a user-friendly act, and this has been used in many Internet websites - furthermore, just "a response" for a price can be a counter-offer).

The examiner submits that above rationale for rejections of claim 9 are applied herein since claimed limitation is an analogous step of claim 9 whether the claimed button is for "counter-offer" or for "acceptance" because these are merely values (for counter-offers) or "YES"/"NO" (for "acceptance"), they don't contribute to functioning of a "transmitting step" - in another word, these specific buttons are doing same functions:

"transmitting specific data" which is merely a response.

11. Claim 4 is rejected under 35 U.S.C. § 103 as being unpatentable over Walker et al. (US Pat. 6,249,772), in view

of Jeffrey Krauss (CED's "Subsidized TV sets?"), and further in view of Conklin et al., (US Pat. 6,338,050).

Since it is a direct dependent of claim 1; the rationales and references for rejection of claim 1 are incorporated.

Walker Jr. et al. teach about notifying a 2nd party via the Internet/WAN (please note that it would be obvious with different "notifying" contents - because sending a notice to 2nd party is merely an old and well-known interactive communication step, which is practiced by Walker, Jr.).

The examiner respectfully submits that a step of "notifying" by computer networks is obvious in an interactive environment such as "sending a response" because a "notice" content may be vary (e.g., a counter-offer, or a response: they are both non-functional descriptive materials here); because an "automatically response" is already covered in Walker, Jr. 's patent as set forth; it is obvious with this claim subject matter of "notifying".

Walker Jr. et al. do not expressly disclose a counter-offer in a stock bidding environment.

However, in the same field of endeavor Conklin et al. disclose that an old and well-known "counter-offer" is already used in a stock bidding environment (see Conklin et al., the abstract; please remember that a counter-offer from

a counter-part is merely a bidding/auction action wherein a party just changes a submitted price for its advantage).

It would have been obvious for one with ordinary skill in the art to combine Walker Jr. et al., Krauss, and Conklin et al. to communicate more information (including a counter-offer) between involved parties within an Internet environment because the use of "counter-offer" on Internet has been recognized by skilled artisan an old and well-known resource for solving matters of financial trading, such as in Walker Jr. 's biddings.

12. Claims 11-12 are rejected under 35 U.S.C. § 103 as being unpatentable over Walker et al. (US Pat. 6,249,772), in view of Jeffrey Krauss (CED's "Subsidized TV sets?"), further in view of Wilton et al., (US Pat. 6,519,574).

A. Re. To claim 11: Since claim 11 is directly dependent on claim 1, the rationales and references for rejection of claim 1 are incorporated.

Walker Jr. et al., and Krauss do not disclose that there are different trading parties, and filtering bids according to a criterion specified by the 3rd party.

However, in the same field of endeavor Wilton et al. disclose about different trading parties with 2nd bid price and 2nd ask price as a background environment about trading, see Wilton et al. 1:41-23 "a first trading entity, trading

entity S1, enters an offer which matches a bid entered by a second trading entity, trading entity S2,";

Wilton et al., also perform filtering bids according to a criterion specified by the 3rd party, and use that for comparison about a difference for a bid and an ask price (see Wilton et al., 9:66 to 10:55 " ...With reference to FIGS. 11A and 11B, the arbitrage opportunity identification process will now be described in greater detail. This process, which may be automatically performed by computer 101 or trader terminals S1-S4, includes the following steps:

1101: Based on stored credit parameter information, the computer 101 or trader terminal (e.g., any of S1-S4) identifies the best bid price available to a trading entity.

1102: Similarly, using the stored credit parameter information, the computer 101 or trader terminal identifies the best offer price available to that trading entity.

1103: Using the auto-arbitrage "minimum spread" parameter entered by the trading entity (see FIG. 8), the computer 101 or trader terminal compares the minimum spread value with the spread between the identified offer and bid prices.

1104: If the spread between the best offer and bid prices is greater than or equal to the minimum spread value entered by the trading entity, the computer 101 or trader terminal then compares the "minimum amount" value entered by the trading entity with the total amount of all identified arbitrage

transactions. If only the best bid and offer have been identified, the total amount is the lesser of the available amounts of the best bid and offer. For example, if the bid is for 3 million but the offer is only for 2 million, the computer 101 or trader terminal will compare the minimum amount value with 2 million (the amount that can be bought and sold). If the best bid and offer and the next-best bid and offer have been identified (as described below in step 1107), the total amount is determined by adding the available amount of each transaction. The computer 101 will determine the optimum amount available by automatically identifying the best possible combination(s) of arbitrage transactions available to the trading entity. 1105: If the total amount that can be traded is greater than or equal to the minimum amount parameter, the computer 101 either (1) initiates the locking procedure described above with reference to FIGS. 7 and 10 whereby both transactions are locked to prevent risk to the trading entity or (2) generates an alert message (see FIG. 9) which is transmitted to the trading entity. If the trader terminal identifies the arbitrage opportunity, the trader terminal either (1) automatically sends an "execute" command to computer 101 or (2) generates an alert signal which is displayed to the trading entity (see FIG.9). 1106: If the spread available is less than the minimum spread value entered by the trading

entity, no arbitrage opportunity exists. 1107: If the amount available is less than the minimum amount value entered by the trading entity, the computer 101 identifies the next best transaction available to the trading entity and performs the minimum spread and minimum amount analysis again to try to build up the total amount of the transaction to satisfy the minimum amount parameter", and Wilton et al. 12:5-17, "...An example of the name switch option determination will now be provided. It is assumed that a transaction is desired between trading entities S2 and S4. However, there is insufficient bilateral credit between S2 and S4 to enable execution of the transaction. Therefore, computer 101 searches for a trading entity such as S3 which has entered a "yes" in its name switch category for both S2 and S4 (see FIG. 14C). The computer 101 then compares the bid-offer spread of the transaction between S2 and S4 with the maximum of the minimum spread set by S3 for trading entities S2 and S4. As shown in FIG. 14C, S3 has entered a 0.01 minimum spread for S2 and a 0.02 minimum spread for S4. Therefore, the computer 101 selects the maximum of these spreads, or 0.02..."

It would have been obvious for one of ordinary skill in the art to combine Walker Jr. et al., Krauss, and Wilton et al. to teach that there are involvement of different trading parties, and filtering bids according to a criterion (e.g.,

"a spread") specified by the 3rd party for a level of control generating from a broker because this is an organized practice so all involved parties can monitor related transactions easily.

B. As to claim 12: Claim 12 mentions about a second bid price and a second ask price, these are merely repetitive actions of a method of trading; and they would be performed with a do-loop step (in computer-programming structures). It would be recognized from artisans about this claimed subject matter for convenience and control-ability from a broker.

13. Related US Patents:

- US 6249772 B1, TITLE: "Systems and methods wherein a buyer purchases a product at a first price and acquires the product from a merchant that offers the product for sale at a second price", this shows a different subject matter comparing to the pending invention, because the buying object is from 2 different vendors, although it is from one originator.


- Storey, US Pat. 5,774,870, The act of covering/subsidizing a price difference from the same seller is already taught; however, the buyer (1st party) and 3rd party who covers a price difference are 2 separate parties in the pending application.

14. Any inquiry concerning this communication or earlier communications from the examiner should be directed to CUONG H. NGUYEN whose telephone number is 703-305-4553. The examiner can normally be reached on 7am - 3:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, THOMAS G. BLACK can be reached on 703-305-8233. The fax phone number for the

organization where this application is assigned is 703-305-7687. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Cuong H. Nguyen


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